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Cincinnati Bulk Terminals, LLC markets coal and other bulk commodities and ships a majority of these products throughout the inland waterway systems. We provide coal and products to a broad base of utility and industrial concerns including state, federal and defense department facilities that rely on thoughtful management of the waterway systems. We understand and support the need for well balanced, clear and consistent guidelines that enable the best water resource planning. The Council on Environmental Quality (CEQ) proposed revisions fall extremely short in implementing practical principals and guidelines. We share many of the same concerns as the National Waterways Conference (NWC) and have outlined some issues below.

The CEQ's proposed revisions to the Principles and Guidelines governing the development of water resources projects (Proposal) would significantly alter our nation's water resources planning. We find the Proposal unworkable in the real environments and commerce.

Recognizing the critical role of our water resources infrastructure to a robust economy and environmental well-being, it is imperative that the resulting Principles establish a clear, concise, and workable framework to guide the development of these critical projects. Vague, ambiguous, and confusing mandates and directives must be clarified or deleted.

As drafted, the Proposal fundamentally fails to achieve this critical end and must be extensively revised to offer a path to balanced solutions, clear and consistent guidance to planners, and replicable results that are understandable to all stakeholders.

Unfortunately, CEQ's Proposal uses the concepts of "principles," "guidelines," "procedures," and "standards" interchangeably so that the Proposal is confusing and impracticable.

A concise set of Principles should:

1. Utilize cost-benefit analysis and other such recognized and proven analytical tools as a basis to compare options,
2. Provide for the unbiased consideration of all alternatives, and not exclude or penalize classes of alternatives from consideration and recommendation,
3. Require that decisions are made based on an assessment of net beneficial effects, and
4. Establish a peer review process that is appropriate to the potential impacts of the project and seamlessly integrated into the planning process.

The National Objectives must be clarified in order to provide for efficient water resources planning.

1. Although it's stated in the Proposal that the National Objective is to maximize economic, environmental and social benefits, the "modernizing" changes proposed clearly (and inappropriately) elevate environmental goals over economic and social ones. This approach would be especially detrimental to flood control, navigation and water supply projects.
2. The Proposal also contemplates forcing multiple objectives in every water resources planning study. Requiring that every study include the multiple objectives of economic, environmental, and social benefits would lead to including features in projects where they have lesser returns than in other projects, programs or plans. Such a requirement is impractical, does not reflect the reality of project development, and would result in a waste of scarce resources.

The Water Resources Development Act of 2007 states that: It is the policy of the United States that all water resources projects should reflect national priorities, encourage economic development, and protect the environment by—

1) seeking to maximize sustainable economic development; 2) seeking to avoid the unwise use of floodplains and flood-prone areas and minimizing adverse impacts and vulnerabilities in any case in which a floodplain or flood-prone area must be used; and 3) protecting and restoring the functions of natural systems and mitigating any unavoidable damage to natural systems.

WRDA 2007 contemplates water resources planning founded upon multiple national objectives: economic, environmental, and social well-being, including a public safety objective. Additionally, WRDA 2007 emphasizes a watershed approach to planning, recognizing the importance of collaborative planning and implementation.

CEQ's Proposal does not promote co-equal objectives in water resources planning, but instead elevates environmental considerations at the expense of economic benefits. This framework, in apparent contradiction of the directive in WRDA 2007, is reflected throughout the entire Proposal, starting on page one, the statement of National Objectives: [the primary objective is to] "protect and restore natural ecosystems and the environment while *encouraging* sustainable economic development." Similarly, the Objectives are to: avoid adverse impacts "whenever possible" and avoid "unwise use" of the floodplains. These directives are not predicated on an analysis of the net beneficial effects. Rather, they are vague and ambiguous terms, providing no basis for measurable criteria.

In order to develop a long-term planning model, we recommend that CEQ modify its Proposal to reflect a balanced approach to water resources planning. Recognizing the widespread public benefits of our nation's water resources infrastructure, a balanced approach would give due regard to the economic and human uses of water resources, along with environmental and economic considerations.

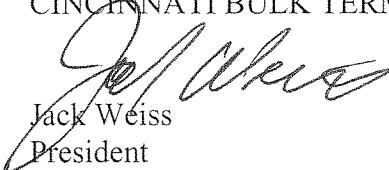
The Proposal directs the avoidance of the “unwise use” of the flood plains, flood-prone areas and other ecologically valuable areas. However, the Proposal does not set forth criteria for determining what would constitute “unwise use.” Even more alarming, the Proposal appears to create a bias for selecting non-structural approaches thus limiting, in practice, a full consideration of all alternatives. (K. Recommend a Plan, page 23).

We appreciate that due consideration should be given to the risks and impacts inherent in the use of our floodplains; we also believe that the best approach to floodplain management will continue on a course that puts the principle of balancing economics and other factors at the center of floodplain decisions. Floodplain decisions (including permitting and licensing decisions) should be governed by consideration of the net beneficial effects of all feasible or practicable alternatives. This fundamentally rational approach is consistent with longstanding national policy of balancing economic and environmental values in decision making, and framing solutions guided by the standard of benefit-cost analysis.

As drafted, the Proposal fails to establish a clear, concise, and workable framework to guide the development of water resources projects. It is incoherent and inconsistent - and thus cannot be utilized in a practical sense. It substantially fails to comply with the explicit directions in Section 2031 of WRDA 2007 as well as the large body of previous law and policy related to water resources. It is written so as to not require or even encourage use of proven analytical tools to distinguish among alternatives. It limits in a preemptive manner certain categories of alternatives, and (even while encouraging “collaboration”) seems to assume that water resources planning decisions are the exclusive prerogative of the Federal government thus not recognizing the keystone role played by non-Federal sponsors. Because of these critical and extensive failings, we recommend that this effort be put aside and restarted from the beginning.

Sincerely,

CINCINNATI BULK TERMINALS, LLC



Jack Weiss
President